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FILED IN THE
U.S. DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

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8 IN THE UNITED STATES DISTRICT COURT
9 FOR THE EASTERN DISTRICT OF WASHINGTON
AT SPOKANE

10 PACIFIC AEROSPACE &
11 ELECTRONICS, INC., a Washington
corporation,

12 Plaintiff,

13 v.

14 EDWARD TAYLOR, an individual, and
15 KRISTEN TAYLOR, an individual, and
16 their marital community; JAMES PETRI,
an individual and JANE DOE PETRI, and
17 their marital community; and RAAD
TECHNOLOGIES, a Washington
corporation,

18 Defendants.

CS-02-0412-FVS

COMPLAINT FOR INJUNCTIVE
RELIEF

Jury Trial Demanded

19 Plaintiff Pacific Aerospace & Electronics, Inc., as its Complaint against
20 Edward Taylor, Kristen Taylor, James Petri, Jane Doe Petri, and RAAD
21 Technologies, Inc., alleges as follows:

22 I. PARTIES

23 1. Plaintiff Pacific Aerospace & Electronics, Inc. is a publicly traded
24 Washington corporation, with its principal place of business in Wenatchee,
25 Washington.
26

Complaint for Injunctive Relief - 1

SEA 1288938v1 46289-23

ORIGINAL

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1 Computer Fraud and Abuse Act, 18 U.S.C. § 1030, et seq. This Court has
2 supplemental jurisdiction over the state law claims, 28 U.S.C. § 1367.

3 III. FACTS

4 9. Pacific Aerospace & Electronics, Inc. ("Pacific Aerospace") is an
5 engineering and manufacturing company with operations in the United States and
6 the United Kingdom. Pacific Aerospace specializes in designing and
7 manufacturing technically demanding ceramic and metal components and
8 electronic assemblies for global leaders in the aerospace, defense electronics and
9 weapons systems, medical implants, communications, and geotechnology
10 industries. Pacific Aerospace is comprised of three divisions, Aerospace
11 Components (U.S.), Aerospace Components (Europe), and Electronic Components
12 (U.S.).

13 10. Pacific Aerospace designs and manufactures hermetically-sealed
14 housings for its customers' extremely sensitive electronic circuitry. In this regard,
15 Pacific Aerospace is entrusted to develop and create the components that protect
16 the electronic "brains" of customers' products, yet still allow electronic
17 information to flow through a protective barrier.

18 11. Encasing electronic components is a highly technical process. The
19 electronic technologies used by Pacific Aerospace's customers are highly sensitive
20 and can be damaged by extreme temperatures, corrosives, vibrations, or other
21 conditions present in the environments in which these technologies are used.
22 These conditions are encountered in commercial and military aerospace
23 applications and other demanding industrial applications creating high heat or
24 extreme cold, including oil and space exploration. They are also encountered
25 when surgical implants are placed inside the human body.

1 12. Such applications require a high degree of engineering sophistication
2 and precision manufacturing capability. Pacific Aerospace has invested substantial
3 time and resources developing such capacity and continues to spend resources both
4 to improve upon its existing technology and to create new technologies and
5 processes in aid of its business. Pacific Aerospace typically obtains several patents
6 per year.

7 13. One of the main reasons Pacific Aerospace is an industry leader in
8 providing such hermetically-sealed components is its invention and development
9 of a proprietary patented technology, called "Kryoflex." Kryoflex is a substance
10 composed of a family of polycrystalline ceramics developed for the purpose of
11 hermetically sealing together materials used in electrical "feedthrus." It is very
12 effective at prohibiting the influx of any fluids or gases from around electronic
13 connectors and into internal electronic circuitry. Kryoflex replaces the
14 conventional processes used to hermetically seal electronic circuitry, which often
15 used glass or "metallized alumina ceramics." Kryoflex is more durable than glass
16 or metallized ceramics and can withstand greater extremes of electrical
17 conductivity, thermal shock, and vibration. Unlike glass seals, Kryoflex does not
18 propagate cracks, thereby increasing its long-term reliability.

19 14. Pacific Aerospace has also developed a proprietary process that
20 enables customers to choose the most suitable metals for their design, eliminating
21 the need to compromise on design materials in order to ensure that components are
22 compatible for welding. Called "Explosively Welded Stack" or "EWS," the
23 process bonds two otherwise incompatible metals metallurgically, via a controlled
24 explosion. This results in a component with a different metal alloy on each side.
25 One side is the ideal metal for protecting electronic components, and the other

26

1 allows the component to be welded to other parts of a design comprised of like
2 kinds of metals.

3 15. Absent this process, the customer would either have to compromise
4 the ideal metal for its designs or solder otherwise incompatible metals together.
5 Soldering two incompatible metals together makes for a less reliable joint,
6 subjecting the assembly to the primary cause of failure in such hermetically sealed
7 packages—solder joint fatigue. Using EWS, Pacific Aerospace is able to make a
8 joint between components that is more reliable than the joints made by its
9 competitors.

10 16. As a result of these and other proprietary technologies and processes,
11 Pacific Aerospace is a leading supplier of high performance connectors, filters, and
12 interconnect systems that require superior performance and reliability under
13 conditions of stress and in hostile environments. For instance, Pacific Aerospace
14 has manufactured components used on the Space Shuttle, Hubble Telescope, the
15 International Space Station, and the Longbow Hellfire Modular Missile system
16 packages used with the Apache Helicopter. Likewise, Pacific Aerospace is a
17 leader in designing and machining hermetic seals for electronic implants in the
18 human body, such as pacemakers.

19 17. Defendant Edward Taylor was employed by Pacific Aerospace in its
20 Wenatchee offices from July 1, 1991, to August 22, 2002, when he resigned. From
21 early in his employment until the time he left Pacific Aerospace, he held the
22 position of Vice President for Engineering and Technology. In this position,
23 Taylor was responsible for essentially two things: inventing and selling. It was
24 Taylor's job to think of and develop new technologies that would enable Pacific
25 Aerospace to better meet its customer's needs. Taylor typically wrote several
26 patents per year on behalf of Pacific Aerospace. Pacific Aerospace invested a

1 great amount of time and resources in educating Taylor to be able to perform these
2 tasks. Additionally, Taylor was charged with marketing Pacific Aerospace
3 technology through direct contact with customers in the field.

4 18. During the course of his employment, Edward Taylor was given
5 access to sensitive proprietary information concerning Pacific Aerospace's
6 processes and technologies. As the author of certain patents owned by Pacific
7 Aerospace, Edward Taylor had an intimate understanding of the patented and other
8 proprietary technology, including Kryoflex and EWS, that distinguishes Pacific
9 Aerospace from other companies in the market. Edward Taylor was given access
10 to such information because of his position at Pacific Aerospace and for the
11 purpose of furthering Pacific Aerospace's business interests.

12 19. Edward Taylor was also entrusted with sensitive strategic and product
13 development information, as well as the company's client and prospective
14 customer lists. More specifically, Edward Taylor was given access to information
15 about pricing, costs, and other sensitive information about the company's business
16 and its customers. He was entrusted with this information and with the company's
17 client relationships in order to protect and further develop such relationships for
18 the company's benefit.

19 20. Edward Taylor executed an Invention and Confidential Information
20 Agreement in 1994. Under this agreement, Edward Taylor agreed to maintain the
21 confidentiality of company information and to assign to the company any rights to
22 inventions he made or conceived during his employment with the company.

23 21. In 1997, Edward Taylor signed an Employment Agreement, providing
24 him employment for a specific term. In Article 5.1, Taylor committed to maintain
25 the secrecy of and not to use or disclose the company's confidential information,
26 including customer information, except as authorized by the company and for its

1 benefit. Edward Taylor also agreed to assign the rights to any inventions
2 conceived during his employment which relate to the company's business. This
3 agreement was renewed on May 31, 2000.

4 22. Article 5.2 also prohibits Edward Taylor's solicitation of Pacific
5 Aerospace employees or customers during his employment, and for a period of two
6 years after:

7 The Employee agrees that during the Contract Term and
8 for a period of two years after the expiration of the
9 Contract Term . . . , he will not (i) directly or indirectly
10 solicit, induce, or encourage any employee of the
11 Company to leave his or her employment with the
12 Company or interfere with any employment relationship
13 between the Company and any of its employees, (ii) hire
14 or encourage or assist any other person to hire any person
15 who has been an employee of the Company within the
16 previous three months, or (iii) have any contact, directly
17 or indirectly, with any customers of the Company.

18 23. Defendant James Petri was employed by Pacific Aerospace in its
19 Wenatchee offices from June 13, 1994, to August 22, 2002, when he resigned.
20 From his hiring until the time he left Pacific Aerospace, he held the position of
21 Engineering Manager. In this position, Petri was responsible for development of
22 technology, process development, and mechanical design.

23 24. During the course of Petri's employment with Pacific Aerospace, he
24 was entrusted with access to sensitive strategic and product development
25 information, as well as the company's client and prospective customer lists, and
26 other proprietary information about the company's business and intellectual
property. Petri was given access to information about pricing, costs, and other
sensitive information about the company business and its customers. He also
participated in developing the engineering content of proposals to customers. Petri
was entrusted with this information and with the company's client relationships in
order to protect and further develop such relationships for the company's benefit.

1 25. Like Taylor, Petri signed Invention and Confidential Information
2 Agreement. In these agreements, Petri committed to maintain the secrecy of and
3 not to use or disclose the company's confidential information, including customer
4 information, except as authorized by the company and for its benefit. Petri agreed
5 to keep in confidence and to refrain from disclosing such information both during
6 and after his employment with the company. Petri also agreed to assign the rights
7 to any inventions conceived of during the term of his employment and relating to
8 the company's business to Pacific Aerospace.

9 26. Defendant Kristen Taylor began employment with Pacific Aerospace
10 on April 16, 1990. Since 1993, she was employed in the document control
11 department at Pacific Aerospace and held the position of Document Control Clerk.
12 In this position, Kristen Taylor had access to customer lists and contact
13 information contained in the company's computer system and other confidential
14 information. Kristen Taylor (then using her maiden name, Kristen Cotton) also
15 signed a valid Invention and Confidential Information Agreement prohibiting her
16 disclosure of confidential information and requiring her to assign to the company
17 any inventions she conceived while at Pacific Aerospace. Kristen Taylor resigned
18 from Pacific Aerospace on September 6, 2002.

19 27. On information and belief, Edward Taylor, Kristen Taylor and James
20 Petri used Pacific Aerospace computers to access, copy, and misappropriate the
21 company's proprietary and trade secret information, without authorization, prior to
22 resigning. Such information was accessed, copied and misappropriated for their
23 own benefit and for the benefit of RAAD and for the purposes of competing with
24 Pacific Aerospace. Among other things, using the company's computers
25 Defendants took unauthorized copies of compilations of data about Pacific
26

1 Aerospace's customers and prospects, including compilations of contact
2 information and other valuable data.

3 28. On August 22, 2002, Edward Taylor and James Petri notified Pacific
4 Aerospace that they intended to resign. They resigned that day and, on information
5 and belief, immediately began working for RAAD. Kristen Taylor resigned on
6 September 6, 2002, and on information and belief immediately begin working for
7 RAAD.

8 29. Prior to their departure, Taylor and Petri were actively working
9 against Pacific Aerospace's interests. Among other things, they refrained from
10 telling Pacific Aerospace about inventions conceived in the time they had been
11 working for Pacific Aerospace, because they wanted to use the inventions for their
12 own purposes after leaving Pacific Aerospace.

13 30. Immediately after Taylor left Pacific Aerospace, he directly solicited a
14 Pacific Aerospace sales representative to join him in working for RAAD.

15 31. On information and belief, RAAD knew that the Taylors and Petri had
16 access to sensitive trade secrets and other confidential and proprietary information
17 of Pacific Aerospace regarding its patented and proprietary technology, customers,
18 pricing, customer service requirements, marketing plans, and the like, and sought
19 to hire them in part because it expected they would bring that information with
20 them to RAAD, in violation of their contractual, statutory, and common law
21 obligations to Pacific Aerospace.

22 32. On information and belief, Defendants are using confidential and
23 proprietary trade secret information obtained from or in the course of employment
24 with Pacific Aerospace in their new positions at RAAD. Such information
25 includes information about patented technologies, as well as customer information.
26 This information is being used with knowledge by, and for the benefit of, RAAD.

1 33. Immediately after joining RAAD, Defendants began contacting
2 Pacific Aerospace's customers. Such contacts have been made for the purpose of
3 soliciting business for RAAD. Both Taylor and Petri have been involved in
4 making such solicitations on RAAD's behalf.

5 34. Defendants have also solicited current Pacific Aerospace employees,
6 attempting to cause them to leave Pacific Aerospace and join RAAD. Defendants
7 have done so with knowledge by, and for the benefit of, RAAD.

8 35. Pacific Aerospace's trade secrets and other confidential and
9 proprietary information are not generally known, and Pacific Aerospace makes
10 reasonable attempts to protect the secrecy of its trade secrets and other confidential
11 and proprietary information. The compilations of customer data, price lists,
12 marketing and product development information, and other customer and
13 marketing information are accessible only to Pacific Aerospace personnel with a
14 business need to know it. Further, all employees are required to sign an Invention
15 and Confidential Information Agreement as a condition of their employment. This
16 agreement prohibits disclosure of the company's trade secrets and other
17 confidential and proprietary information, including the technologies developed and
18 used in conducting its business. Such technological and customer information is
19 invaluable for businesses in Pacific Aerospace's industry, and it derives its value
20 from its confidentiality.

21 36. Pacific Aerospace owns its relationships with its customers as a
22 valuable asset. Pacific Aerospace entrusted Defendants Edward Taylor and Petri
23 to deal with customers on its behalf. As an aspect of this job, Edward Taylor and
24 Petri were expected to establish rapport and a relationship of trust with customers
25 and potential customers in order to enhance Pacific Aerospace's business and to
26 protect and increase the value of Pacific Aerospace's goodwill. These

1 relationships are a valuable goodwill asset of Pacific Aerospace which it pays its
2 employees to develop, promote, and protect.

3 37. Pacific Aerospace entrusted Defendants Edward Taylor, Kristen
4 Taylor, and James Petri with its trade secrets, confidential and proprietary
5 information, and customer relationships with the understanding that they would at
6 all times keep them confidential and use them solely for Pacific Aerospace's
7 purposes and not as a basis for personal gain.

8 38. Pacific Aerospace has a reasonable belief that Defendants are using
9 Pacific Aerospace's confidential and proprietary information for their benefit, to
10 the great prejudice of Pacific Aerospace, thereby causing irreparable harm.

11 39. Using the trade secrets and other confidential proprietary information
12 they misappropriated, Defendants have already begun contacting Pacific
13 Aerospace customers and employees in an attempt to divert their business from
14 Pacific Aerospace to RAAD. They are attempting to develop technologies using
15 inventions conceived at Pacific Aerospace, as well as trade secrets and other
16 intellectual property belonging to Pacific Aerospace.

17 IV. CLAIMS

18 A. Breach of Contract (against Edward Taylor, Kristen Taylor, and 19 James Petri)

20 40. Pacific Aerospace realleges and incorporates the allegations as set
21 forth above.

22 41. Edward Taylor, Kristen Taylor, and James Petri's use of trade secret
23 and/or confidential and proprietary information obtained during and after their
24 employment with Pacific Aerospace for their own benefit and for the benefit of
25 RAAD is a violation of their respective employment agreements.
26

42. Edward Taylor's direct and indirect contact with and solicitation of Pacific Aerospace customers and employees is a violation of his employment agreements.

43. Edward Taylor's and James Petri's failure to assign inventions conceived during employment at Pacific Aerospace is a violation of their employment agreements.

44. Pacific Aerospace has been and will continue to be injured irreparably and otherwise, and Defendants will be unjustly enriched, if Edward Taylor, Kristen Taylor, and James Petri are not enjoined from further breaches of their agreements.

B. Breach of Common Law Duties of Confidentiality and Loyalty (against Edward Taylor, Kristen Taylor, and James Petri)

45. Pacific Aerospace realleges and incorporates the allegations as set forth above.

46. As employees and former employees of Pacific Aerospace with access to Pacific Aerospace's trade secrets and other confidential and proprietary information, Edward Taylor, Kristen Taylor, and Petri had a confidential relationship with Pacific Aerospace and a duty to maintain the secrecy of, and to protect from use or disclosure, its confidential information.

47. Edward Taylor, Kristen Taylor, and Petri had a confidential relationship with Pacific Aerospace and a duty not to misappropriate for themselves the goodwill and customer relationships that they were charged with maintaining and developing on Pacific Aerospace's behalf.

48. Edward Taylor, Kristen Taylor, and Petri owed Pacific Aerospace a duty of loyalty during the period of their employment.

49. Edward Taylor, Kristen Taylor and Petri breached their duties of loyalty and breached and continue to breach their duties of confidence by taking,

1 using, and disclosing the trade secrets and other confidential and proprietary
2 information belonging to Pacific Aerospace and by using such information on
3 behalf of themselves and Defendant RAAD, and by misappropriating valuable
4 customer relationships and goodwill.

5 50. As a result of these breaches, Pacific Aerospace has lost and will
6 continue to lose the value of the trade secrets and other confidential and proprietary
7 information that Edward Taylor, Kristen Taylor, and Petri possess and the value of
8 the goodwill, economic relationships, and business opportunities it would have
9 enjoyed but for their breach of their duties to Pacific Aerospace.

10 51. Pacific Aerospace has been and will continue to be injured irreparably
11 and otherwise, if Defendants will be unjustly enriched, if Defendants are not
12 enjoined from disclosing and using Pacific Aerospace's confidential and
13 proprietary information for their own gain.

14 **C. Breach of Common Law Duties Regarding Ownership of**
15 **Inventions (against Edward Taylor and James Petri)**

16 52. Pacific Aerospace realleges and incorporates the allegations as set
17 forth above.

18 53. Pacific Aerospace hired and directed Edward Taylor and James Petri
19 to create inventions for the company.

20 54. Taylor and Petri failed to assign and kept secret from Pacific
21 Aerospace invention ideas they conceived during the time of their employment
22 with Pacific Aerospace and which directly related to Pacific Aerospace's business.

23 55. They kept secret such invention ideas for the purpose of using them
24 for their own benefit or for the benefit of a future employer.
25
26

1 56. Taylor and Petri have thus violated their common law duty to assign
2 inventions to an employer who has hired or directed employees to invent on its
3 behalf.

4 57. Pacific Aerospace has been and will continue to be injured irreparably
5 and otherwise, and Defendants will be unjustly enriched, if Defendants are not
6 enjoined from further breaches of their obligations.

7 **D. Tortious Interference (against RAAD)**

8 58. Pacific Aerospace realleges and incorporates the allegations as set
9 forth above.

10 59. Pacific Aerospace had a valid business relationship and contracts
11 containing assignment of inventions, nonsolicitation, and confidentiality provisions
12 with respect to Edward Taylor, and with assignment of inventions and
13 confidentiality provisions with respect to Petri and Kristen Taylor.

14 60. Knowing of and about these relationships, the contracts, and the
15 restrictive clauses, RAAD intentionally facilitated, encouraged, and induced
16 Edward Taylor, Kristen Taylor and Petri to breach their contractual obligations and
17 terminate their business relationships with Pacific Aerospace.

18 61. As a result of RAAD's intentional interference with the relationships
19 and contracts between Pacific Aerospace and Edward Taylor, between Pacific
20 Aerospace and Kristen Taylor, and between Pacific Aerospace and Petri, Pacific
21 Aerospace has been and, unless Defendants are enjoined, will continue to be
22 injured irreparably and otherwise, while RAAD will be unjustly enriched.

23 **E. Tortious Interference (against RAAD, Edward Taylor, Kristen**
24 **Taylor, James Petri)**

25 62. Pacific Aerospace realleges and incorporates by reference the
26 allegations above.

1 63. Pacific Aerospace had valid business relationships and business
2 expectancies with customers and potential customers.

3 64. Knowing of and about these relationships and business expectancies,
4 RAAD, Edward Taylor, Kristen Taylor, and Petri have intentionally intervened and
5 are interfering with and appropriating them for the purpose of soliciting these
6 customers and diverting their business for themselves, causing termination of
7 and/or interference with Pacific Aerospace's relationships and expectancies.

8 65. As a result of Defendants' intentional interference with these
9 relationships and expectancies, Pacific Aerospace has been, and unless Defendants
10 are enjoined, and will continue to be injured irreparably and otherwise, while
11 Defendants will be unjustly enriched.

12 **F. Tortious Interference (against RAAD and Edward Taylor)**

13 66. Pacific Aerospace realleges and incorporates the allegations as set
14 forth above.

15 67. Pacific Aerospace had a valid business relationship and contracts
16 containing confidentiality provisions with respect to Petri and Kristen Taylor.

17 68. Knowing of and about their relationships, the contracts, and the
18 restrictive clauses, RAAD and Edward Taylor intentionally facilitated, encouraged,
19 and induced Petri and Kristen Taylor to breach their contractual obligations and
20 terminate their business relationships with Pacific Aerospace.

21 69. As a result of RAAD's and Edward Taylor's intentional interference
22 with these relationships and contracts, Pacific Aerospace has been and will
23 continue to be injured irreparably and otherwise, while RAAD and Edward Taylor
24 will be unjustly enriched.

1 **G. Unfair Competition (against RAAD, Edward Taylor, Kristen**
2 **Taylor, and James Petri)**

3 70. Pacific Acrospacc realleges and incorporates by reference the
4 allegations above.

5 71. RAAD engaged the services of Edward Taylor, Kristen Taylor, and
6 Petri and they agreed to provide services to RAAD with the intent that they would
7 use Pacific Aerospace's trade secrets and other confidential and proprietary
8 information and intellectual property and misappropriate its business expectancies,
9 in an effort to improve its competitive position with respect to Pacific Aerospace.

10 72. Edward Taylor, Kristen Taylor, and Petri's providing services to
11 RAAD as well as information belonging to Pacific Aerospace is in violation of
12 Defendants' respective contract, common law, and statutory duties owed to Pacific
13 Aerospace.

14 73. As a result of Defendant's unfair competition, Pacific Aerospace has
15 lost and will continue to lose the value of the confidential information that
16 Defendants now possess and the value of the goodwill and the economic
17 relationships that Pacific Aerospace would have enjoyed but for Defendants'
18 breach of their respective duties, and Defendants have been unjustly enriched.

19 **H. Misappropriation of Trade Secrets (against RAAD, Edward**
20 **Taylor, Kristen Taylor, and James Petri)**

21 74. Pacific Aerospace realleges and incorporates by reference the
22 allegations above.

23 75. RAAD, Edward Taylor, Kristen Taylor, and Petri have willfully and
24 maliciously misappropriated Pacific Aerospace's trade secrets in violation of
25 applicable law, including the Washington Uniform Trade Secrets Act, RCW
26 19.108.010, *et seq.*

1 76. The confidential and proprietary information entrusted to Edward
2 Taylor, Kristen Taylor, and Petri by Pacific Aerospace constitute trade secrets
3 because Pacific Aerospace derives economic value from that information's not
4 being generally known to and not being readily ascertainable by proper means by
5 other persons who can obtain economic value from its disclosure or use, and
6 because the information was the subject of reasonable efforts to maintain its
7 secrecy.

8 77. Edward Taylor, Kristen Taylor, and Petri were obligated to maintain
9 the secrecy of that information. Nonetheless, they have breached their duties to
10 Pacific Aerospace by taking and using Pacific Aerospace's trade secrets and other
11 confidential and proprietary information in order to gain an unfair advantage for
12 their new employer, RAAD, a competitor of Pacific Aerospace. Their breach of
13 their duties in this regard were willful and malicious.

14 78. Prior to hiring Edward Taylor, Kristen Taylor, and Petri, RAAD was
15 aware that they possessed trade secrets and other confidential and proprietary
16 information belonging to Pacific Aerospace and that this information would be of
17 immense value to RAAD if it obtained it. RAAD retained the services of Edward
18 Taylor, Kristen Taylor, and Petri with the goal of obtaining and using for its own
19 benefit the Pacific Aerospace trade secrets they possessed.

20 79. Defendants have been and continue to be unjustly enriched by their
21 misappropriation and unauthorized use of Pacific Aerospace's trade secrets and,
22 unless restrained, they will continue to use, divulge, and otherwise wrongfully
23 exploit Pacific Aerospace's trade secrets. Pacific Aerospace has been injured,
24 irreparably and otherwise, and is threatened with additional and ongoing injuries as
25 a result of Defendants' misappropriation of Pacific Aerospace's trade secrets.

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1 **I. Civil Conspiracy (against RAAD, Edward Taylor, Kristen Taylor,**
2 **and James Petri)**

3 80. Pacific Acrospace realleges and incorporates by reference the
4 allegations above.

5 81. Defendants Edward Taylor, Kristen Taylor, Petri and RAAD entered
6 into an agreement to deprive and did deprive Pacific Aerospace of the benefits of
7 its contractual and common law rights and of its trade secrets and other
8 confidential and proprietary information, with the intent to injure Pacific
9 Aerospace in its business.

10 82. As a result of the conspiracy by and among Edward Taylor, Kristen
11 Taylor, Petri and RAAD, Pacific Aerospace has been and will continue to be
12 injured irreparably and otherwise in its business, while Defendants have been and
13 will be unjustly enriched.

14 **J. Conversion (against RAAD, Edward Taylor, Kristen Taylor, and**
15 **James Petri)**

16 83. Pacific Aerospace realleges and incorporates by reference the
17 allegations above.

18 84. While still employed by Pacific Aerospace and acting as an agent of
19 RAAD and immediately upon resignation from Pacific Aerospace, Edward Taylor,
20 Kristen Taylor, and Petri willfully interfered with and deprived Pacific Aerospace
21 of its trade secrets and other confidential and proprietary information when they
22 took customer and other information and documents belonging to Pacific
23 Aerospace without legal justification, permission, or authorization.

24 85. As a result of Defendants' conversion of Pacific Aerospace's property
25 and intellectual property, Pacific Aerospace has been and will continue to be
26 injured irreparably and otherwise, while Edward Taylor, Kristen Taylor, Petri and
27 RAAD will be unjustly enriched.

1 **K. Violation of the Computer Fraud and Abuse Act (against RAAD,**
2 **Edward Taylor, Kristen Taylor, and James Petri)**

3 86. Pacific Aerospace realleges and incorporates by reference the
4 allegations above.

5 87. While still employed by Pacific Aerospace, but acting as an agent for
6 RAAD, the Taylors and Petri obtained confidential and proprietary information
7 belonging to Pacific Aerospace from the company's computers. Obtaining and
8 using such information for any entity's benefit other than Pacific Aerospace
9 exceeded their authority to use business computers, and was in violation of the
10 Computer Fraud and Abuse Act, 18 U.S.C. § 1030.

11 88. Defendants' actions were intentional, and without Pacific Aerospace's
12 knowledge, permission, or authorization.

13 89. As a result of Defendants' violation of the Computer Fraud and Abuse
14 Act, Pacific Aerospace has suffered damage and loss and will continue to be
15 injured irreparably, while Defendants will be unjustly enriched.

16 **V. PRAYER FOR RELIEF**

17 WHEREFORE, plaintiff respectfully prays for the following relief:

18 A. That the court enter immediate and preliminary injunctive relief
19 enjoining Defendants from further breaches of statutory, common law, and
20 contractual duties and misappropriation of trade secrets and requiring the return of
21 all Pacific Aerospace property and information;

22 B. An accounting and constructive trust over profits obtained as a result
23 of Defendants' unlawful conduct;

24 C. Assignment, pursuant to the common law and the terms of their
25 employment agreements, of all rights whatsoever in any inventions or other
26 intellectual property conceived by any Defendant while employed by Pacific
27 Aerospace;

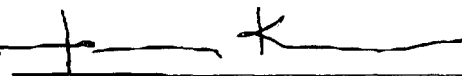
1 D. For judgment against Defendants for damages, including damages for
2 Defendants' unjust enrichment, in an amount to be proven at trial;

3 E. For judgment against Defendants for all costs and attorneys' fees as
4 authorized by applicable law;

5 F. For such other and further relief as the Court may deem just or
6 equitable.

7 DATED this 26th day of November, 2002.

8 Davis Wright Tremaine LLP
9 Attorneys for Plaintiff Pacific Aerospace &
Electronics, Inc.

10
11 By 
12 Harry J.F. Korrell, WSBA #23173
13 Douglas Morrill, WSBA #30476
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